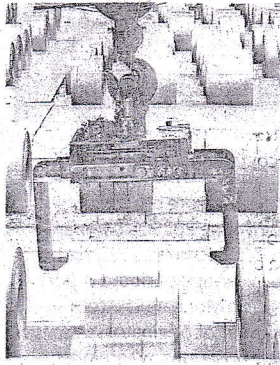


Steel Ministry may crack down on substandard imports; gives 15 days to clear stock

Abhishek Law

New Delhi



Malpractices in India's steel imports have surfaced, with traders allegedly sidestepping BIS quality norms and manipulating data to bring in substandard consignments from China, Vietnam, and Japan.

Increased scrutiny by the Steel Ministry has uncovered how several small importers falsified paperwork while applying for "new grades" to evade import restrictions and mandatory quality checks. The Ministry took penal action, including putting on hold clearance of suspect shipments — including some Japanese consignments at ports.

Numerous traders and manufacturers were found attempting to bypass the Bureau of Indian Standards (BIS) requirements by making minor alterations to steel grades. Official data showed there were 1,136 import applications for steel grades that are neither internationally recognised nor covered under BIS standards. The BIS has outlined 151 standards covering 1,376 steel grades under the Steel Ministry's Quality Control Orders (QCO).

TIGHTENING NORMS

A 15 to 20-day relaxation window has been granted for select shipments to come in; or to clear old stock.

The Ministry has sought "firm assurances" from leading domestic steel and stainless steelmakers "that no price hikes will be effected until December 2025".

In fact, calls have been made by a top Steel Ministry official to an industry captain seeking such assurances, *businessline* has learnt.

"So traders and importers get a 15 to 20-day relaxation.

Post that, the QCOs come in — finished product or inputs, every thing needs a BIS certification," said a second official present in a meeting with various stakeholders, held on Monday.

India used to import approximately 400,000 tonnes of non-BIS-compliant steel annually, valued at around ₹4,200 crore, as per industry sources. The government made it mandatory in October last year for all non-BIS-compliant steel imports to receive prior approval from the Ministry.

GOVT'S OBSERVATIONS

The core issue, a Ministry official said, was certification requirements, particularly for imports from Chinese entering through Vietnam. It was seen that most cast iron (CI) and stainless steel imports from Vietnam are essentially of Chinese origin.

"Vietnam has seen large-scale Chinese investment, and many of the manufacturing units there are fully or partially Chinese-owned," an official said.

In June, the Steel Ministry expanded quality standards for steel and steel products under QCO. It stated that input materials — slabs, billets, or hot-rolled coils that are used to make BIS-certified steel in the foreign factory — also need to adhere to the relevant BIS standard.